

Message Text

CONFIDENTIAL

PAGE 01 USBERL 00404 01 OF 02 081205Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07 L-03
NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06
ACDA-07 IO-13 SAJ-01 CAB-02 COME-00 DOTE-00 EB-08
CIEP-01 FAA-00 /090 W
-----081241Z 094163 /15

R 081111Z FEB 77
FM USMISSION USBERLIN
TO SECSTATE WASHDC 3995
AMEMBASSY BONN
INFO AMEMBASSY BERLIN UNN
AMEMBASSY BERN
AMEMBASSY LONDON
AMEMBASSY MOSCOW
AMEMBASSY PARIS
AMCONSUL ZURICH
USMISSION NATO

C O N F I D E N T I A L SECTION 1 OF 2 USBERLIN 0404

E O 11652: GDS
TAGS: EAIR, PGOV, PFOR, GW, GE, WB, SZ
SUBJ: CIVAIR: INTERFLUG OVERFLIGHTS OF THE FRG

REF: A. BONN 2111, B. BONN 2068, C. 73 BONN 18244

1. SUMMARY: WE EXPECT MOST WEST BERLINERS WOULD FIND
A TRIP TO SCHOENEFELD AIRPORT TO FLY TO ZURICH INCON-
VENIENT. WE DOUBT GDR WOULD ACCEPT EAST MARKS PURCHASED
IN FREE MARKET FOR PAYMENT ALTHOUGH GDR MIGHT PUT PRICE
10 PCT OR SO BELOW WESTERN RATE. WE THINK PAN AM MAY
BE OVERLY CONCERNED ABOUT INTERFLUG COMPETITION. END
SUMMARY.

2. WE SUSPECT THERE ARE MORE OBSTACLES TO WEST BERLINERS
USING SCHOENEFELD FOR FLIGHTS TO ZURICH THAN THE CAA'S
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 USBERL 00404 01 OF 02 081205Z

SEEM TO THINK.

3. WITH RESPECT TO GROUND TRANSPORTATION FOR WEST
BERLINERS TO TEGEL AND SCHOENEFELD WE COMPARE BELOW
THE COSTS AND THE TIME INVOLVED FOR TWO PRINCIPAL
TYPES OF TRAVEL -- BUSINESS AND LEISURE.

A. THE BERLIN BUSINESSMAN ANXIOUS TO SAVE TIME CAN DRIVE HIS OWN CAR OR TAKE A TAXI FROM HIS DOWNTOWN OFFICE TO TEGEL IN 25 MINUTES, OR LESS. CHECK-IN TIME IS 30 MINUTES BEFORE DEPARTURE BUT CORNERS ARE OFTEN CUT. CONSEQUENTLY THE BUSINESSMAN CAN LEAVE FOR AIRPORT A LITTLE AS 45 MINUTES BEFORE FLIGHT AT A COST OF ABOUT DM 15 FOR TAXI FARE. THE SAME BUSINESSMAN CAN TAKE A TAXI TO SCHOENEFELD IF HE MAKES A RESERVATION AT LEAST ONE DAY IN ADVANCE FOR ONE OF THE 15 WEST BERLIN TAXIS PERMITTED TO TRAVEL TO SCHOENEFELD. TRAVEL TIME IS 45 MINUTES AND TRAVELER MUST BE CHECKED IN AT LEAST AN HOUR IN ADVANCE OF THE FLIGHT. THE BUSINESSMAN MUST ALSO COUNT ON PAYING DM 25 FOR TAXI AS WELL AS A FIVE MARK VISA FEE.

B. THE VACATION TRAVELER MIGHT BE WILLING TO USE A TAXI TO TEGEL, BUT WE DOUBT THAT MANY WOULD USE THIS ROUTE TO SCHOENEFELD SINCE THERE IS A CHEAP REGULAR HALF-HOURLY BUS SERVICE FROM WEST BERLIN. THIS BUS ONLY STOPS AT TWO PLACES IN WEST BERLIN, AND THE TRAVELER MUST REACH THE BUS STOP 2 AND 1/2 HOURS BEFORE FLIGHT TIME. THE BUS IS INCLUDED IN THE AIR FARE BUT THERE IS A DM 5 VISA FEE.

C. THE LEISURE TRAVELER ANXIOUS TO SAVE AS MUCH MONEY AS POSSIBLE CAN TAKE PUBLIC TRANSPORTATION DIRECT TO TEGEL BUT NOT TO SCHOENEFELD. BUS SERVICE FROM DOWNTOWN BERLIN TO TEGEL RUNS EVERY TEN MINUTES, TAKES 35 MINUTES AND COSTS ONE MARK. (S-BAHN TRAVEL TO

CONFIDENTIAL

PAGE 03 USBERL 00404 01 OF 02 081205Z

SCHOENEFELD BY WAY OF FRIEDRICHSTRASSE IN EAST BERLIN IS NOT PERMITTED.)

D. A TRAVELER MAY USE THE WEST BERLIN U-BAHN/BUS SYSTEM TO WALTERSDORF CROSSING POINT, WALK THROUGH THE CONTROL POINT (ABOUT 100 METERS), AND BOARD A FREE TRANSIT BUS DIRECT TO SCHOENEFELD ON THE OTHER SIDE FOR A FIVE MINUTE RIDE TO THE AIRPORT. HE WOULD HAVE TO LEAVE DOWNTOWN BERLIN ABOUT 3 HOURS IN ADVANCE OF THE FLIGHT USING THIS ROUTE. (A TAXI BY THIS ROUTE WOULD COST ABOUT 25 MARKS, BUT WOULD CUT THE TIME TO 2 HOURS).

3. IN ADDITION, THE FLIGHT TIME OF A BOEING 727 TEGEL-ZURICH IS ONE HOUR AND FIFTEEN MINUTES WHEREAS THE FLYING TIME FROM SCHOENEFELD IS PROBABLY BETWEEN ONE HOUR AND THIRTY TO ONE HOUR AND FORTY MINUTES FOR A TU134 OR AN IL18 AS THE ROUTE FROM SCHOENEFELD IS ABOUT

20 PERCENT LONGER THAN THE ROUTE FROM TEGEL VIA THE
CORRIDORS.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 USBERL 00404 02 OF 02 081224Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07 L-03
NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06
ACDA-07 IO-13 SAJ-01 CAB-02 COME-00 DOTE-00 EB-08
CIEP-01 FAA-00 /090 W
-----081241Z 094439 /12

R 081111Z FEB 77
FM USMISSION USBERLIN
TO SECSTATE WASHDC 3996
AMEMBASSY BONN
INFO AMEMBASSY BERLIN UNN
AMEMBASSY BERN
AMEMBASSY LONDON
AMEMBASSY MOSCOW
AMEMBASSY PARIS
AMCONSUL ZURICH
USMISSION NATO

C O N F I D E N T I A L SECTION 2 OF 2 USBERLIN 0404

4. ALL IN ALL A TRAVELER CAN LEAVE HIS OFFICE IN DOWN-
TOWN BERLIN AND BE IN ZURICH IN 2 HOURS IF HE TRAVELS
VIA TEGEL AT THE COST OF A 15 MARK TAXI RIDE OR A
LESSER PARKING FEE FOR HIS CAR. ON THE OTHER HAND,
THE SAME TRAVELER WOULD HAVE TO COUNT ON AT LEAST 3
HOURS AND 15 MINUTES OF TRAVEL TIME VIA SCHOENEFELD.
THERE ARE ADDITIONAL PSYCHOLOGICAL OBSTACLES FOR
TRAVEL VIA SCHOENEFELD FOR WEST BERLINERS. THE HASSLE
OF GDR BORDER CONTROLS IS SOMETHING THAT MOST WEST
BERLINERS DO NOT WANT TO UNDERGO IF THEY CAN AVOID IT.
THE SURLINES, THE SEARCHES, AND THE GENERAL DISTASTE
FOR THE GDR STATE POSE A REAL BARRIER TO THE TRAVELER.
IT IS NO SECRET THAT FOR YEAR INTERFLUG HAS BEEN OFFERING
CHEAP FARES TO AFRICA, ASIA ETC. BUT HAVE HAD FEW WEST
GERMANS TAKERS BECAUSE (A) THEY DO NOT MUCH LIKE INTERFLUG
OR THE GDR, AND (B) THEY ESPECIALLY DISLIKE THE BORDER
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 USBERL 00404 02 OF 02 081224Z

CONTROLS INVOLVED. HERE IN BERLIN WE ARE REPEATEDLY STRUCK BY HOW VERY FEW WEST BERLINERS EVEN ATTEND AN OPERA OR THEATER IN EAST BERLIN AGAIN BECAUSE THEY DO NOT WANT TO BE BOTHERED WITH THE UNPLEASANT PROCESS OF

PASSING THROUGH THE WALL.

5. WE DOUBT VERY MUCH THAT THE GDR WOULD BE WILLING TO UNDERCUT WESTERN FLIGHTS BY ACCEPTING PAYMENT OR PART PAYMENT IN EAST MARKS OBTAINED AT THEIR FREE MARKET VALUE. PAN AM HERE HAS NOT HEARD OF SUCH CURRENCY MANIPULATION WHICH PAN AM BELIEVES WOULD HAVE COME TO ITS ATTENTION IF PRACTICED EXTENSIVELY ENOUGH TO LURE COMMERCIALY SIGNIFICANT NUMBERS OF PASSENGERS TO INTERFLUG. THE GDR ECONOMIC OBJECTIVE IN PROMOTING USE OF ITS NATIONAL AIRLINE BY WESTERNERS IS TO ACQUIRE HARD CURRENCY. WEST BERLINERS PAY WEST MARKS FOR TICKETS PURCHASED IN WEST BERLIN AND MUST SHOW THEY HAVE EXCHANGED WEST MARKS LEGALLY IF THEY BUY IN EAST BERLIN.

6. WE HOPE THAT PAN AM WOULD WORRY LESS ABOUT INTERFLUG (IF) COMPETITION AND CONCENTRATE ON ESTABLISHING ITSELF IN THE BERLIN-ZURICH MARKET FIRST. THE OBSTACLES DESCRIBED ABOVE WOULD MAKE IT DIFFICULT IN ANY CASE FOR IF TO TAKE THE MARKET AWAY FROM PAN AMERICAN. IF MAY OFFER SLIGHTLY CHEAPER FARES, AS THEY DO ON CHARTER SERVICES. FOR EXAMPLE, IF'S RECENT CHARTER FROM ZURICH WAS 14 PCT CHEAPER THAN AEROAMERICA'S, AND ITS CONSTANZA CHARTERS IN 1973 WERE 11 PCT BELOW DAN AIR'S PRICE. WE EXPECT ANY REDUCTION ON ANY SCHEDULED IF SERVICE TO ZURICH WOULD BE OF ROUGHLY THE SAME ORDER. WE DOUBT THAT INTERFLUG WOULD WANT TO OPERATE AT A SUBSTANTIAL LOSS. FOR EXAMPLE, WE RECALL THAT SEVERAL AFRICAN SERVICES (CAIRO, BAMAKO, KHARTOUM) WERE CURTAILED OR CLOSED DOWN BY IF LAST YEAR BECAUSE OF THE SUBSTANTIAL LOSSES INVOLVED. ALSO IN 1973 AEROFLOT DROPPED ITS
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 USBERL 00404 02 OF 02 081224Z

SCHOENEFELD STOP ON THE FRANKFURT TO MOSCOW RUN BECAUSE OF LOW LOAD FACTOR (REF C).

7. OUR PRELIMINARY READING OF PAN AMERICAN'S INFORMALLY EXPRESSED RELUCTANCE TO ENTER THE MARKET IN A HEAD-ON-HEAD COMPETITION WITH INTERFLUG REALLY IS A SIGNAL THAT PAN AM WOULD LIKE THE CIVIL AIR ATTACHES TO HELP PREVENT THIS POSSIBILITY. AS THE DETAILS GIVEN IN PARAS 1-4 CONCERNING TRAVEL TIME ARE UNCLASSIFIED, WE PLAN TO

PASS THEM TO PAN AMERICAN WITH THE OBSERVATION THAT THEIR
CONCERN ABOUT INTERFLUG AS A COMPETITOR MAY BE OVERSTATED.
GEORGE

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AIRCRAFT OVERFLIGHTS, AIR ROUTE AGREEMENTS
Control Number: n/a
Copy: SINGLE
Sent Date: 08-Feb-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977USBERL00404
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770044-0749
Format: TEL
From: USBERLIN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770261/aaaacbqq.tel
Line Count: 227
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 8fa8acc9-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 BONN 2111, 77 BONN 2068, 73 BONN 18244
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 04-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3374838
Secure: OPEN
Status: NATIVE
Subject: CIVAIR: INTERFLUG OVERFLIGHTS OF THE FRG
TAGS: EAIR, PGOV, PFOR, GE, GC, WB, SZ
To: STATE BONN
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/8fa8acc9-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009